



General Assembly

February Session, 2016

Raised Bill No. 337

LCO No. 2083



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT ELIMINATING THE SALES TAX ON CAR WASH SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (37) of subsection (a) of section 12-407 of the
2 2016 supplement to the general statutes is repealed and the following
3 is substituted in lieu thereof (*Effective October 1, 2016, and applicable to*
4 *sales occurring on or after said date*):

5 (37) "Services" for purposes of subdivision (2) of this subsection,
6 means:

7 (A) Computer and data processing services, including, but not
8 limited to, time, programming, code writing, modification of existing
9 programs, feasibility studies and installation and implementation of
10 software programs and systems even where such services are rendered
11 in connection with the development, creation or production of canned
12 or custom software or the license of custom software;

13 (B) Credit information and reporting services;

14 (C) Services by employment agencies and agencies providing
15 personnel services;

16 (D) Private investigation, protection, patrol work, watchman and
17 armored car services, exclusive of (i) services of off-duty police officers
18 and off-duty firefighters, and (ii) coin and currency services provided
19 to a financial services company by or through another financial
20 services company. For purposes of this subparagraph, "financial
21 services company" has the same meaning as provided under
22 subparagraphs (A) to (H), inclusive, of subdivision (6) of subsection (a)
23 of section 12-218b;

24 (E) Painting and lettering services;

25 (F) Photographic studio services;

26 (G) Telephone answering services;

27 (H) Stenographic services;

28 (I) Services to industrial, commercial or income-producing real
29 property, including, but not limited to, such services as management,
30 electrical, plumbing, painting and carpentry, provided
31 income-producing property shall not include property used
32 exclusively for residential purposes in which the owner resides and
33 which contains no more than three dwelling units, or a housing facility
34 for low and moderate income families and persons owned or operated
35 by a nonprofit housing organization, as defined in subdivision (29) of
36 section 12-412;

37 (J) Business analysis, management, management consulting and
38 public relations services, excluding (i) any environmental consulting
39 services, (ii) any training services provided by an institution of higher
40 education licensed or accredited by the Board of Regents for Higher
41 Education or Office of Higher Education pursuant to sections 10a-35a
42 and 10a-34, respectively, and (iii) on and after January 1, 1994, any

43 business analysis, management, management consulting and public
44 relations services when such services are rendered in connection with
45 an aircraft leased or owned by a certificated air carrier or in connection
46 with an aircraft which has a maximum certificated take-off weight of
47 six thousand pounds or more;

48 (K) Services providing "piped-in" music to business or professional
49 establishments;

50 (L) Flight instruction and chartering services by a certificated air
51 carrier on an aircraft, the use of which for such purposes, but for the
52 provisions of subdivision (4) of section 12-410 and subdivision (12) of
53 section 12-411, would be deemed a retail sale and a taxable storage or
54 use, respectively, of such aircraft by such carrier;

55 (M) Motor vehicle repair services, including any type of repair,
56 painting or replacement related to the body or any of the operating
57 parts of a motor vehicle;

58 (N) Motor vehicle parking, including the provision of space, other
59 than metered space, in a lot having thirty or more spaces, excluding (i)
60 space in a parking lot owned or leased under the terms of a lease of not
61 less than ten years' duration and operated by an employer for the
62 exclusive use of its employees, and (ii) space in municipally operated
63 railroad parking facilities in municipalities located within an area of
64 the state designated as a severe nonattainment area for ozone under
65 the federal Clean Air Act or space in a railroad parking facility in a
66 municipality located within an area of the state designated as a severe
67 nonattainment area for ozone under the federal Clean Air Act owned
68 or operated by the state on or after April 1, 2000;

69 (O) Radio or television repair services;

70 (P) Furniture reupholstering and repair services;

71 (Q) Repair services to any electrical or electronic device, including,

72 but not limited to, equipment used for purposes of refrigeration or
73 air-conditioning;

74 (R) Lobbying or consulting services for purposes of representing the
75 interests of a client in relation to the functions of any governmental
76 entity or instrumentality;

77 (S) Services of the agent of any person in relation to the sale of any
78 item of tangible personal property for such person, exclusive of the
79 services of a consignee selling works of art, as defined in subsection (b)
80 of section 12-376c, or articles of clothing or footwear intended to be
81 worn on or about the human body other than (i) any special clothing
82 or footwear primarily designed for athletic activity or protective use
83 and which is not normally worn except when used for the athletic
84 activity or protective use for which it was designed, and (ii) jewelry,
85 handbags, luggage, umbrellas, wallets, watches and similar items
86 carried on or about the human body but not worn on the body, under
87 consignment, exclusive of services provided by an auctioneer;

88 (T) Locksmith services;

89 (U) Advertising or public relations services, including layout, art
90 direction, graphic design, mechanical preparation or production
91 supervision, not related to the development of media advertising or
92 cooperative direct mail advertising;

93 (V) Landscaping and horticulture services;

94 (W) Window cleaning services;

95 (X) Maintenance services;

96 (Y) Janitorial services;

97 (Z) Exterminating services;

98 (AA) Swimming pool cleaning and maintenance services;

99 (BB) Miscellaneous personal services included in industry group 729
100 in the Standard Industrial Classification Manual, United States Office
101 of Management and Budget, 1987 edition, or U.S. industry 532220,
102 812191, 812199 or 812990 in the North American Industrial
103 Classification System United States Manual, United States Office of
104 Management and Budget, 1997 edition, exclusive of (i) services
105 rendered by massage therapists licensed pursuant to chapter 384a, and
106 (ii) services rendered by an electrologist licensed pursuant to chapter
107 388;

108 (CC) Any repair or maintenance service to any item of tangible
109 personal property including any contract of warranty or service related
110 to any such item;

111 (DD) Business analysis, management or managing consulting
112 services rendered by a general partner, or an affiliate thereof, to a
113 limited partnership, provided (i) the general partner, or an affiliate
114 thereof, is compensated for the rendition of such services other than
115 through a distributive share of partnership profits or an annual
116 percentage of partnership capital or assets established in the limited
117 partnership's offering statement, and (ii) the general partner, or an
118 affiliate thereof, offers such services to others, including any other
119 partnership. As used in this subparagraph "an affiliate of a general
120 partner" means an entity which is directly or indirectly owned fifty per
121 cent or more in common with a general partner;

122 (EE) Notwithstanding the provisions of section 12-412, except
123 subdivision (87) of said section 12-412, patient care services, as defined
124 in subdivision (29) of this subsection by a hospital, except that "sale"
125 and "selling" does not include such patient care services for which
126 payment is received by the hospital during the period commencing
127 July 1, 2001, and ending June 30, 2003;

128 (FF) Health and athletic club services, exclusive of (i) any such
129 services provided without any additional charge which are included in

130 any dues or initiation fees paid to any such club, which dues or fees
131 are subject to tax under section 12-543, and (ii) any such services
132 provided by a municipality or an organization that is described in
133 Section 501(c) of the Internal Revenue Code of 1986, or any subsequent
134 corresponding internal revenue code of the United States, as from time
135 to time amended;

136 (GG) Motor vehicle storage services, including storage of motor
137 homes, campers and camp trailers, other than the furnishing of space
138 as described in subparagraph (P) of subdivision (2) of this subsection;

139 (HH) Packing and crating services, other than those provided in
140 connection with the sale of tangible personal property by the retailer of
141 such property;

142 (II) Motor vehicle towing and road services, other than motor
143 vehicle repair services;

144 (JJ) Intrastate transportation services provided by livery services,
145 including limousines, community cars or vans, with a driver. Intrastate
146 transportation services shall not include transportation by taxicab,
147 motor bus, ambulance or ambulette, scheduled public transportation,
148 nonemergency medical transportation provided under the Medicaid
149 program, paratransit services provided by agreement or arrangement
150 with the state or any political subdivision of the state, dial-a-ride
151 services or services provided in connection with funerals;

152 (KK) Pet grooming and pet boarding services, except if such services
153 are provided as an integral part of professional veterinary services,
154 and pet obedience services;

155 (LL) Services in connection with a cosmetic medical procedure. For
156 purposes of this subparagraph, "cosmetic medical procedure" means
157 any medical procedure performed on an individual that is directed at
158 improving the individual's appearance and that does not meaningfully
159 promote the proper function of the body or prevent or treat illness or

160 disease. "Cosmetic medical procedure" includes, but is not limited, to
161 cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft
162 tissue fillers, dermabrasion and chemical peel, laser hair removal, laser
163 skin resurfacing, laser treatment of leg veins and sclerotherapy.
164 "Cosmetic medical procedure" does not include reconstructive surgery.
165 "Reconstructive surgery" includes any surgery performed on abnormal
166 structures caused by or related to congenital defects, developmental
167 abnormalities, trauma, infection, tumors or disease, including
168 procedures to improve function or give a more normal appearance;

169 (MM) Manicure services, pedicure services and all other nail
170 services, regardless of where performed, including airbrushing, fills,
171 full sets, nail sculpting, paraffin treatments and polishes; and

172 (NN) Spa services, regardless of where performed, including body
173 waxing and wraps, peels, scrubs and facials.]; and

174 (OO) Car wash services, including coin-operated car washes.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016, and applicable to sales occurring on or after said date</i>	12-407(a)(37)

Statement of Purpose:

To eliminate the sales tax on car wash services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]